

**MEMORANDUM OF UNDERSTANDING (LEVEL I)  
BETWEEN  
HEADQUARTERS UNITED STATES AIR FORCE  
CHIEF, ENGINEERING DIVISION  
AND  
HEADQUARTERS UNITED STATES ARMY CORPS OF ENGINEERS  
DIRECTOR OF MILITARY PROGRAMS**

I. PURPOSE. This Memorandum of Understanding (MOU) describes the working relationship between HQUSAF and HQUSACE in the collective effort to execute the AF Military Construction (MILCON) program. Implementing instructions or policy may supplement this MOU to provide details about specific processes or issues but such policy must follow the spirit and intent of the MOU.

II. AMENDMENTS AND TERMINATION. The provisions of this MOU are continuous until such time applicable authorizations and/or responsibilities change. Amendments or revisions may be proposed at any time and incorporated herein on mutual consent of the MOU signatories. This agreement may be terminated by mutual consent of the MOU signatories or upon 90 days written notice by one or more parties to all other parties to the MOU.

III. REFERENCES.

A. DODD 4270.5, MILCON responsibilities

B. AFI 32-1023, Design and Construction Standards and Execution of Facility Construction Projects

C. Headquarters, U.S. Air Force (HQUSAF) and Headquarters, U.S. Army Corps of Engineers (HQUSACE) Partnering Agreement, signed 1 December 1996

D. Architectural and Engineering Instruction (AEI), Cost Control During Design, 19 December 1996

IV. PROGRAM EXECUTION GOALS. The AF MILCON execution goals are execution of 100 percent of the MILCON program in the year of its appropriation and the attainment of ready to advertise (RTA) status for 100 percent of the succeeding fiscal year's projects by 30 September FY-1. The Major Commands (MAJCOMs) may establish special need dates for selected projects based on operational requirements.

V. THE AF AS AGENT. HQUSAF and HQUSACE agree that the AF may assume agent responsibility for selected projects not to exceed five percent of each year's MILCON program. Specific projects will be identified by the AF and coordinated with HQUSACE.

The AF will request Office of Secretary of Defense (OSD) approval, if required, in accordance with DODD 4270.5.

**VI. RESPONSIBILITIES AND PROCEDURES.** This Level I MOU establishes Headquarters level policy and procedures. It is provided as a policy guide for the levels below HQUSAF and HQUSACE. Subordinate level MOUs may not violate the spirit or intent of this Level I MOU.

**A. PRE-DESIGN.**

1. **2807 NOTIFICATION:** The AF makes 2807 Notification when required and advises the USACE when notification is complete.

2. **TRANSFER:** The AF will transfer planning and design funds to HQUSACE or the AF Major Commands based on an algorithm generated using the Program Amounts in the FY+1 and FY+2 MILCON programs.

**B. ACQUISITION STRATEGY.** Acquisition Strategy is a joint AF/USACE decision as a function of AF execution goals and what is best for the project.

**C. DESIGN SCHEDULE.**

1. **COST ESTIMATE ACCURACY AND SCOPE DECISIONS.** Construction cost estimates should be developed in accordance with the "Cost Control During Design (Design-to-Cost)" procedures in the referenced AEI. Final cost estimate responsibility lies with the USACE. The final decision on scope options, additives, and deductives rests with the AF.

2. **LOST DESIGN AND BREAKAGE REPORTING AND REVIEW.** Lost design and breakage data will be provided by the USACE to the AF by line item on an as-required basis.

3. **EMERGENCY DESIGN AND CONSTRUCTION PROCEDURES.** Ad hoc design teams composed of AF and division/district personnel may utilize emergency authorities, procedures, and/or waivers, etc., to accomplish emergency design and construction. Timely justification to support special procurement, if required, is the responsibility of the AF.

**D. DESIGN**

1. **ARCHITECTURAL COMPATIBILITY.** The Host MAJCOM has final approval authority on base comprehensive planning and exterior architectural compatibility standards and issues. The Requiring MAJCOM has final approval on interior architectural standards and issues.

2. IMPLEMENTATION OF AF ENGINEERING TECHNICAL LETTER (ETL). The AF ETLs are issued by the AF and are coordinated with the Corps of Engineers prior to distribution to AF and USACE field elements. The USACE will comply with HQUSACE approved ETLs in the design and construction of AF facilities.

3. THE AF INSTRUCTION (AFI) WAIVER AUTHORITY. The AF is responsible for providing written confirmation of waivers to AFI to HQUSACE for dissemination to USACE offices. A waiver to AF criteria by USACE without AF approval is not authorized.

E. VALUE ENGINEERING (VE). The objective is to find areas where project life cycle costs can be reduced without a loss of quality in functional, aesthetic, operational, or maintenance related requirements. Topics of potential VE studies should be considered during the PD or RFP development phase and reassessed at each succeeding design review. Value Engineering Change Proposals (VECP), submitted by the construction contractor during the construction phase, are encouraged to further reduce project cost.

#### F. CUSTOMER SPECIAL REQUIREMENTS.

1. The AF installations will be normally serviced by their USACE geographical district. The geographical district will be the AF customer entry point into the USACE corporate organization. Exceptions will be handled according to DODD 4270.5.

2. JOINT ACCESS TO CUSTOMER-AGENT DATA BASE SYSTEMS. The establishment of procedures to facilitate joint use of AF and USACE databases is encouraged.

#### G. CONSTRUCTION CONTRACT AWARD.

1. AWARD AUTHORITY. The AF provides project award authority and may, based on congressional MILCON marks, provide advance authority to advertise FY+1 projects; HQUSACE provides authority for obligation of funds.

2. BID PROTEST RESOLUTION. The USACE will resolve all protests in the shortest possible time and keep the AF advised on the current status of protests. The option to proceed with award in the face of a protest will be discussed between the AF and USACE.

#### H. CONSTRUCTION SCHEDULE.

1. THE BENEFICIAL OCCUPANCY DATE (BOD). Meeting the need date is a commitment to the customer. The AF will inform USACE of any special requirements driving a need date. The USACE will inform the AF of any potential actions that may impact meeting the required BOD. Joint occupancy will be an AF/USACE decision based on user needs and project risks.

## I. CONSTRUCTION FUNDS.

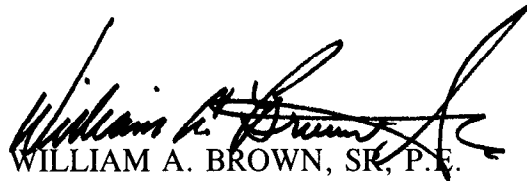
1. TRANSFER. The MILCON funds are released by HQUSAF to HQUSACE for award of contracts, increases in contracts, real estate acquisition and other purposes specified in Congressional Authorization and Appropriation Bills. HQUSACE will distribute these funds to the appropriate USACE district.

2. FINANCIAL CLOSE-OUT. The AF/USACE goal is to financially complete projects within one year of beneficial occupancy. Upon identification by the AF, the USACE will assist in the return of excess planning and design or construction funds to the AF.

VII. DISAGREEMENT RESOLUTION. Resolution of all disagreements will be made at the lowest possible level. Any impasse will be elevated to the next command level without unnecessary delay. The AF and USACE partnership in strategic decisions and joint activities demands close teamwork.

## VIII. AGREEMENT.

We, the undersigned, as duly authorized representatives of our respective organizations, agree to support the provisions of this document as presented this 23 day of April, 1998.



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